

Amendment Offered by Mr. Israel

To the Amendment in the Nature of a Substitute Offered by Mr. Oxley

Page 102, after line 21, insert the following new section (and conform the table of contents accordingly):

1 **SECTION 1. PROTECTION OF CREDIT OF PERSONS IN COM-**
2 **BAT OR ACTIVATED FOR MILITARY SERVICE.**

3 (a) CREDIT RATING PROTECTION.—The Fair Credit
4 Reporting Act (15 U.S.C. 1681 et seq.) is amended by
5 inserting after section 623 the following new section:

6 **“§ 623A. Furnishers of information relating to certain**
7 **persons on active military duty**

8 “(a) Any person in military service who—

9 “(1) is performing duty in an area where such
10 person is eligible for imminent danger pay under
11 section 310 of title 37, United States Code; or

12 “(2) is performing duty in military service
13 under a call or order to active duty under a provi-
14 sion of law referred to in section 101(a) (13) of title
15 10, United States Code,

16 may, while so assigned and for a period of 30 days there-
17 after, defer payment on any obligation or liability of that



1 person that is owed to a creditor, upon providing notice
2 required by subsection (e)(1). Interest on any such obliga-
3 tion or liability may continue to accrue during the period
4 of any such deferral, subject to section 206.

5 “(b) A creditor may not report to a consumer report-
6 ing agency, and a consumer reporting agency may not col-
7 lect or disseminate, any adverse credit information con-
8 cerning a person in military service who is assigned to
9 duty outside the United States to the extent that such in-
10 formation pertains to any nonpayment, late payment, or
11 deferred payment on an obligation or liability for which de-
12 ferral of payment is provided under subsection (a) and
13 that occurs during the period specified in that subsection.

14 “(c) A creditor may not seek to collect any obligation
15 or liability for which a person in military service is defer-
16 ring payment under the provisions of subsection (a) until
17 after the authorized period of deferral of payment ends.
18 The prohibition in the preceding sentence applies to any
19 means of communication seeking payment on such an obli-
20 gation or liability, whether directed to the person in mili-
21 tary service, any member of that person’s family, or other-
22 wise.

23 “(d) Whoever violates subsection (b) or (c) shall be
24 subject to a fine of \$50,000.



1 “(e)(1) In order to defer payments on an obligation
2 or liability under subsection (a), a person in military serv-
3 ice shall notify the creditor on such obligation or liability
4 and consumer reporting agencies that such person is in
5 military service and has received orders for assignment to
6 duty outside the United States and that such person is
7 invoking the provisions of subsection (a) with respect to
8 that obligation or liability.

9 “(2) Deferral of payment shall commence—

10 “(A) in the case of a person covered by sub-
11 section (a)(1), when the person becomes eligible for
12 imminent danger pay under section 310 of title 37,
13 United States Code; and

14 “(B) in the case of a person covered by sub-
15 section (a)(2), when the person begins to perform
16 military service as described in that subsection.

17 “(3) The Secretary of Defense shall prescribe regula-
18 tions for the purpose facilitating the providing of notice
19 under paragraph (1).

20 “(f) For purposes of this section:

21 “(1) The term ‘creditor’ means has the mean-
22 ing given that term in section 103 of the Truth in
23 Lending Act.

24 “(2) The term ‘consumer reporting agency’
25 means a person or entity engaged in the practice of



1 assembling or evaluating consumer credit informa-
2 tion.

3 “(3) The term ‘United States’, when used in a
4 geographic sense, includes the territories and posses-
5 sions of the United States and the Commonwealth of
6 Puerto Rico. ”.

7 (b) EFFECTIVE DATE.—Section 623A of the Fair
8 Credit Reporting Act, as added by subsection (a), shall
9 apply with respect to a period of military service (as de-
10 fined in such Act) that is being performed by a person
11 on the date of the enactment of this Act or to which a
12 person is ordered on or after such date.

13 (c) CLERICAL AMENDMENT.—The table of contents
14 of title VI of the Consumer Credit Protection Act is
15 amended by inserting after the item relating to section
16 623 the following new item:

“623A. Furnishers of information relating to certain persons on active military
duty”.

